

Subtitle [3.] 4. Examinations and Reports.

[6-301.] 6-401.

(a) Each credit union shall have a supervisory committee.

(b) The board [of directors of the credit union] shall appoint the members of the supervisory committee AT:

(1) THE FIRST MEETING OF THE BOARD FOLLOWING THE ANNUAL MEETING OF THE MEMBERS; AND

(2) ANY TIME THERE IS A VACANCY.

(c) (1) SUBJECT TO THE PROVISIONS OF PARAGRAPH (2) OF THIS SUBSECTION, THE [The] board [of directors] shall determine the number of members on the supervisory committee[, but the].

(2) THE SUPERVISORY committee shall have at least three and not more than seven members.

(d) (1) Each member of the supervisory committee shall be appointed from among the members of the credit union.

(2) Not more than one member of the supervisory committee may be a director.

(3) [The treasurer] AN OFFICER of the credit union, a member of the credit committee, or an employee of the credit union may not be a member of the supervisory committee.

(4) AT LEAST ONE MEMBER OF THE SUPERVISORY COMMITTEE SHALL HAVE EXPERIENCE IN:

(I) ACCOUNTING;

(II) AUDITING; OR

(III) GENERAL BUSINESS.

(5) EACH MEMBER OF THE SUPERVISORY COMMITTEE:

(I) SHALL BE BONDED;

(II) SHALL BE A CITIZEN OF THE UNITED STATES;

(III) MAY NOT HAVE BEEN CONVICTED OF ANY CRIMINAL OFFENSE INVOLVING DISHONESTY OR BREACH OF TRUST;

(IV) MAY NOT HAVE HABITUALLY NEGLECTED TO PAY ANY DEBTS;

(V) MAY NOT BECOME INSOLVENT OR BANKRUPT WHILE SERVING ON THE SUPERVISORY COMMITTEE; AND